



Discover the World

August 10, 2012

**VIA COURIER**

Mr. Patrick Cain  
Senior Web Coordinator  
Global  
81 Barber Greene Road  
Toronto, Ontario  
M3C 2A2

Dear Mr. Cain:

**Re: Access Request #212199**

I am responding to your access request under the *Freedom of Information and Protection of Privacy Act* (the *Act*) for all documents related to a price quote increase from 108.28 to 123.53 for item #240184, Calvados du Pays d'Auge."

A search of the files in our Sales and Marketing Division, specifically the Category Management, Brown Spirits department, was conducted and six responsive records were found. Access in full has been granted. Enclosed please find a copy of the responsive records.

In addition, I would like to provide you with some background information regarding this product's lifecycle. First of all, I would like to draw your attention to the fact that the figures quoted in your original request were in Euros and not in Canadian dollars. As you will see from record #1, the original product application listed the product at a retail price of \$50.75. This retail price is in line with competitive product(s) in the category. The product was purchased as a one-time seasonal item, and 180 cases (12 pack) were ordered. The product has been delisted as of January 20, 2012. As of today's date, there is no stock of this item in our warehouses, and there are 149 bottles available in our stores

As I previously advised when processing your earlier access request, quote changes often result from revisions to freight rates, changes in currency exchange rates or supplier errors in calculating the quote necessary to produce the agreed to retail price. The records provided show an instance of this where a quote was increased, but there are also frequent instances of decreases as well.

Record #5 shows the calculation of the revised quote. This record indicates the original forecasted quote (108.2800 Euros) and calculates the quote necessary to reach the agreed to retail price of \$50.75 per bottle (123.53 Euros). This is done by applying the LCBO's fixed mark-up structure applicable to Calvados (a type of brandy) and taking into account relevant import duties and freight costs.

Under its mandate, LCBO is expected to reach a balance between providing good products that deliver value with pricing that promotes social responsibility and also generates revenue for the government. Successive governments have endorsed the current pricing system for maintaining this balance. The current system of using a fixed markup structure for pricing also provides certainty and transparency for suppliers as they know exactly how their products will be priced and that the same rules will be applied to all.

As noted in the Auditor General's report, recent surveys conducted by the Canadian Association of Liquor Jurisdictions (CALJ) show Ontario prices for beverage alcohol are the lowest of all Canadian provinces and territories.

In his December 2011 report on LCBO Procurement of New Beverage Alcohol Products, the Auditor General recommended that the LCBO, in consultation with the Ministry of Finance, conduct a trial or pilot of a new pricing policy using variable mark-ups. This would be a significant policy change with potential costs and benefits. LCBO has raised this recommendation with the Ministry of Finance.

Please be advised that any decision made under the *Act* can be appealed to the Information and Privacy Commissioner. Under section 50 (2) of the *Act*, an appeal must be filed with the Commissioner's office within thirty days of the notice of decision. The Commissioner's office is located at 2 Bloor Street East, Suite 1400, Toronto, Ontario, M4W 1A8. You should be aware that there is a \$25.00 appeal fee. Any questions about the appeal fee should be directed to the Information and Privacy Commissioner's office. Their phone number is (416) 326-3333.

If you have any questions regarding your request, please do not hesitate to contact me.

Yours truly,



Mona Wong  
Manager  
Freedom of Information  
& Privacy Office

Enclosures



55 Lakeshore Blvd E  
Toronto, ON M5E 1A4  
Phone: (416) 365-5855  
Fax: (416) 365-5911

## Product Review Application

This form records your product submission information, and must be attached to the sample you provide

Buying Area	Submission Number	Date Submitted
	211158	29-Oct-2010 9:29PM

### Section A - Brand Information :

Liquor Type	Product Name	Product Need ID
SPIRITS	Fall/Winter Seasonal Premium/DeLuxe	55/688
Product Name	UPC	SCC
Calvados du Pays d'Auge	3549754070077	23549754070071
Country of Origin	Region	Vintage
FRANCE	FRANCE	
% Alcohol	40	LCBO Item #
		109348
F.O.B. Port or Pickup Location	Limited Quantity	Sugar g/L
14430 Victot-Pontfol France	+33(0)231632424	
Is this product listed in any other Canadian jurisdiction ?		
Yes		

### Section B - Supplier Information:

LCBO Supplier #	Name of Supplier	Additional sizes :
0062736	DOMAINE FAMILIAL LOUIS DUPONT	NO
Supplier's Address	Telephone	Previous special purchase :
DOMAINE DUPONT	011-332-3163-2424	NO
VICTOT-PONTFAL, FRANCE	FAX 011-332-3263-1476	Previous duty free : NO
14430	E-mail jerome@calvados-dupont.com	Previous vintages : NO
Country	Region	Other :
FRANCE	FRANCE	Double distillation & aged 2 yrs. Green apple and citrus fruits aromas, shades of sherry. Fresh & supple w a long intense finish.
Wonderful as an aperitif or after dinner drink		
Sales forecast (in cases) :		
Q1 25		
Q2 50		
Q3 75		
Q4 100		
Promotional Support (\$)		
1,000.00		

### Section C - Agent Information :

LCBO Agent #	Name of Ontario Agent			
0947	ROLAND AND RUSSELL			
Contact Name	Liliana Pavicic			
Agent's Address	Telephone 416-801-9885			
368 DUNLOP STREET L7L 3N7	FAX 1-9056819885			
BURLINGTON, ON, CANADA	E-mail lpavicic@rolandandrussell.com			
Section D - Pricing and Packaging Information :				
Price per selling unit	Price per case	Selling unit size	# Units per selling pack	# Selling units per shipping case
9.02	108.28	750 700 mL	1	12
Gift item - Cost of Package	Gift item - Cost of Contents	Cases per pallet	Cases per Container :	Temp Ctl.
		50	20' 800 40' 1200	1000
Pallet Configuration :	Container :	Packaging Material :	Stopper :	
Cases per tier 10	Type GLASS - COLOUR	Type	Type CORK-T	
Number of tiers 5	Weight 475.00 gm	Weight	Weight 20.00 gm	
Currency	Estimated Retail Price	Payment Terms		
EURO DOLLAR	50.75	90 days		

### LCBO Conditions Applicable to Product Review Applications :

#### ONE-PAGE MARKETING PLAN MUST BE SUBMITTED WITH THE APPLICATION

No change can be made in the price quotation, the package or label without LCBO prior agreement  
Products found to be defective will be returned or destroyed at supplier's expense.

I hereby accept the abovenoted conditions of the Liquor Control Board of Ontario on behalf of

Name of Supplier:	Date
DOMAINE FAMILIAL LOUIS DUPONT	Nov 25/10
Name of Authorized Agent (if applicable)	Authorized Signature on behalf of Supplier
ROLAND AND RUSSELL	J. Pavicic



SARL Domaine Familial Louis DUPONT

To the Attention of the LCBO

PLS POST QUOTE  
V# 62736  
LCBO# 240184

February 23rd, 2011

Re: Calvados Pays d'Auge LCBO # 240184

Total price per case: € 108.28 EUR (12 x 700 ml 40% ABV)  
Terms: Ex-Works

Sincerely,

SARL DOMAINE FAMILIAL DUPONT  
14430 VICTOT - PONTFOL  
France  
Tel : 02 33 02 31 63 24 24 Fax : 02 33 02 31 63 14 76  
info@calvados-dupont.com  
www.calvados-dupont.com

SARL Domaine Familial Louis Dupont  
Route départementale 16, 14430 Victot - Pontfol  
France  
Tel : + 33(0)2.31.63.24.24 Fax : +33(0)2.31.63.14.76  
[www.calvados-dupont.com](http://www.calvados-dupont.com) / [info@calvados-dupont.com](mailto:info@calvados-dupont.com)

## McLean, Marijke

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**From:** Van, Angela  
**Sent:** Friday, July 13, 2012 2:14 PM  
**To:** McLean, Marijke  
**Subject:** FW: REQUOTE Required: 240184 Calvados du Pays d'Auge

Angela Van  
Brown Spirits Administrator, Category Management - Spirits & Beer, LCBO  
43 Freeland Street, 3rd Floor, Toronto, Ontario M5E 1L7  
T: 416-365-5893 F: 416-864-6775 E: [angela.van@lcbo.com](mailto:angela.van@lcbo.com)

[www.lcbo.com](http://www.lcbo.com)  
[www.vintages.com](http://www.vintages.com)

*Please discover and serve our products responsibly.*

**From:** Liliana Pavicic [<mailto:lpavicic@rolandandrussell.com>]  
**Sent:** Thursday, August 18, 2011 9:33 AM  
**To:** Van, Angela  
**Cc:** Tranah, Greg  
**Subject:** re: REQUOTE Required: 240184 Calvados du Pays d'Auge

Good morning,

The supplier has been contacted and we are awaiting the requote.

Regards,  
Liliana  
Roland + Russell

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**From:** "Van, Angela" <[angela.van@lcbo.com](mailto:angela.van@lcbo.com)>  
**Sent:** Wednesday, August 17, 2011 10:23 AM  
**To:** "'lpavicic@rolandandrussell.com'" <[lpavicic@rolandandrussell.com](mailto:lpavicic@rolandandrussell.com)>  
**Subject:** REQUOTE Required: 240184 Calvados du Pays d'Auge

Hi Liliana,

We require a requote for this item as the original quote does not achieve the desired retail of \$50.75.

Please requote to \$123,53 EUR. The freight was \$7.70.

Thanks,

Angela Van  
Brown Spirits Administrator, Category Management - Spirits & Beer, LCBO  
43 Freeland Street, 3rd Floor, Toronto, Ontario M5E 1L7  
T: 416-365-5893 F: 416-864-6775 E: [angela.van@lcbo.com](mailto:angela.van@lcbo.com)

[www.lcbo.com](http://www.lcbo.com)  
[www.vintages.com](http://www.vintages.com)

*Please discover and serve our products responsibly.*

Disclaimer:

CONFIDENTIALITY NOTICE:

*Import*  
SARL Domaine Familial Louis DUPONT

REQUOTE

LCBO# 240184

V# 62736

To the attention of : Angela Van, Brown Spirits Administrator

August 18, 2011

Re: LCBO # 240184

Product description: Domaine Dupont Calvados Pays d'Auge Fine Reserve 40% ABV

Size: 750 ml

Total Cost: 123,53 EUR per case

Jerome Dupont  
Director  
SARL DOMAINE FAMILIAL DUPONT  
14430 VICTOT - PONTFOL  
Siret: 530 548 104 00018  
Tel. : 02 31 63 24 24 Fax : 02 31 63 14 76  
info@calvados-dupont.com  
www.calvados-dupont.com

SARL Domaine Familial Louis Dupont  
Route départementale 16 , 14430 Victot – Pontfol  
France  
Tel : + 33(0)2.31.63.24.24 Fax : +33(0)2.31.63.14.76  
[www.calvados-dupont.com](http://www.calvados-dupont.com) / [info@calvados-dupont.com](mailto:info@calvados-dupont.com)

**LCBO****BRAND INFORMATION DISPLAY**

1 of 1

SKU #: **0240184**DESCRIPTION: **CALVADOS D'AUGE\***SIZE: **700 ML**EFFECTIVE DATE: **2011-08-29**BT/CASE: **12**BT/UNIT: **1**VENDOR#: **0062736**BRAND TYPE: **REG** **Go**CATEGORY: **0610**GALLONAGE: **012**

	PREVIOUS	CURRENT	DIFFERENCE
PO-NO:		<b>102-18566</b>	
DATE, PB#:		<b>8/20/2011 (6105)</b>	
QUOTE. CURRENCY:		<b>108.2800 (EUR)</b>	
EXCHANGE RATE:		<b>1.3789</b>	
REBATE:		<b>-----</b>	
SPECIAL:		<b>21.0282</b>	
QUOTE CDN:		<b>149.3073</b>	
DUTY 1:		<b>-----</b>	
DUTY 2:		<b>39.2986</b>	
EXCISE:		<b>-----</b>	
FREIGHT:		<b>7.7000</b>	
CASE COST:		<b>217.3341</b>	
MARKUP:		<b>315.1623</b>	
IN STORE COS:		<b>-----</b>	
OUT OF STORE COS:		<b>-----</b>	
FLAT TAX:		<b>-----</b>	
LEVY:		<b>0.2660</b>	
ENVIRONMENTAL TAX:		<b>0.0893</b>	
BASIC:		<b>44.9300</b>	
ORST:		<b>-----</b>	
GST:		<b>-----</b>	
HST:		<b>5.8200</b>	
DEPOSIT:		<b>0.2000</b>	
RETAIL:		<b>50.7500</b>	
MARKUP %:		<b>145.0100</b>	
REMARKS:		<b>QUOTE 123,53 EUR</b>	



Vendor Item Barcode Deal Order Transfer OTB Cost Misc

Whse: 102 Vendor: Item: 0240184 Order: Case Barcode:

At start of list...

Deal Promotion Inquiry

Vendor Currency: EUR

Deal  
Deal/Promo  
Inquiry  
Deal  
Maintenance

test

Prime Vendor: 0062736 DOMAINE FAMILIAL LOUIS DUPONT

Trade Terms: EXC Port/Location:

Item: 0240184 Description: DOMAINE DUPONT FINE RESERVE CALVADOS DU

Pack: 12 Size: ML

Minimum: 1 Maximum: 999998

Status/Reason: Discontinued

Order by: Start Date

Begin at:



Vendor Currency: EUR



View	Line	Status	Start Date	End Date	Type	Amount	Currency	Cdn Equiv.	Vendor	Quote/Type	Purchased	Shipped	FSP	A
	003	HIS	19/08/2011	21/01/2012	List Cost	123.530	EUR	162.441	0062736	E	0	119		
	002	HIS	13/05/2011	19/08/2011	List Cost	108.280	EUR	142.388	0062736	E	180	0		



Weighting Weight  
Code:

Total BOH: 0 On-Order

Allocated BOH: 0

Movement History

Day-Sup: 0 Forecast

Received: 0

Committed: 0

Week Outs Current History Buy Qty: 40

Adj Qty: 0

Outstock: 0

Shipped: 0

1: 0 0 0 Off invoice

.000 CAD Container Deposit .000 CAD

2: 0 0 56 Avg: 157.007 CAD Bill Back

6.388 CAD

3: 0 0 0 Last: 149.307 CAD Off invoice - not subtracted

.000 CAD

4: 0 0 0 Inventory: 0.00000 CAD Billback - not subtracted

.000 CAD

5: 0 0 0 List: .000 EUR Pickup Allowance

.000 CAD

6: 0 0 0 Change: 00/00/0000 Miscellaneous Discount

39.299 CAD